

Assembly Bill No. 2429

CHAPTER 278

An act to amend Sections 10151, 10153.3, 10153.4, and 10153.5 of, and to repeal Section 10153.9 of, the Business and Professions Code, relating to real estate salespersons.

[Approved by Governor September 14, 2006. Filed with
Secretary of State September 14, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2429, Negrete McLeod. Real estate salespersons: licensure.

Existing law, the Real Estate Law, provides for the licensure and regulation of real estate salespersons by the Department of Real Estate. Under that law, a person may apply to take the real estate salesperson license examination upon demonstrating, as specified, to the Real Estate Commissioner enrollment in, or completion of, a real estate principles course and, after passing the examination, is required to submit to the commissioner evidence of the successful completion of specified courses in real estate either prior to issuance of the license or within 18 months after its issuance.

This bill would require a person whose application for the licensure examination or for both the examination and license is received by the commissioner on or after October 1, 2007, to demonstrate, as specified, completion of the real estate principles course as well as the other specified real estate courses required for licensure before taking the real estate salesperson license examination. The bill would waive these requirements for members of the State Bar of California and applicants who qualified to take the original real estate broker licensure examination by satisfying certain requirements. The bill would also specify requirements for persons whose applications are received by the commissioner prior to October 1, 2007.

The people of the State of California do enact as follows:

SECTION 1. Section 10151 of the Business and Professions Code is amended to read:

10151. (a) Application for the real estate salesperson license examination shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall be accompanied by the real estate salesperson license examination fee.

(b) Persons who have been notified by the commissioner that they passed the real estate salesperson license examination may apply for a real estate salesperson license. A person applying for the salesperson examination may also apply for a real estate salesperson license. However, a license shall not be issued until the applicant passes the real estate salesperson license examination. If there is any change to the information contained in a real estate salesperson license application after the application has been submitted and before the license has been issued, the commissioner may require the applicant to submit a supplement to the application listing the changed information.

(c) An application for the real estate salesperson license examination or for both the examination and license that is received by the commissioner on or after October 1, 2007, shall include evidence or certification, satisfactory to the commissioner, of successful completion at an accredited institution of a three-semester unit course, or the quarter equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5, in real estate principles as well as the successful completion at an accredited institution of a course in real estate practice and one additional course set forth in Section 10153.2, other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal. The applicant shall provide this evidence or certification to the commissioner prior to taking the real estate salesperson license examination.

(d) The commissioner shall waive the requirements of this section for the following applicants:

(1) An applicant who is a member of the State Bar of California.

(2) An applicant who has qualified to take the examination for an original real estate broker license by satisfying the requirements of Section 10153.2.

SEC. 2. Section 10153.3 of the Business and Professions Code is amended to read:

10153.3. (a) This section shall apply to an application for the real estate salesperson license examination, the real estate salesperson license, and for both the examination and license received by the commissioner prior to October 1, 2007.

(b) Application for the real estate salesperson license examination pursuant to this section shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall be accompanied by the real estate salesperson license examination fee.

(c) In order to take the examination for a real estate salesperson license, an applicant under this section shall submit evidence or certification satisfactory to the commissioner of enrollment in, or successful completion at, an accredited institution of a three-semester unit course, or the quarter equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5, in real estate principles.

Evidence of enrollment satisfactory to the commissioner may include a statement from the applicant made under penalty of perjury.

(d) An applicant under this section may take the real estate salesperson license examination within two years of the date his or her application was received by the commissioner. Notwithstanding subdivision (c), if the applicant fails to schedule an examination or to obtain a passing score on it within that time period, he or she shall be required to submit evidence or certification satisfactory to the commissioner of satisfactory completion at an accredited institution of the courses described in subdivision (c) of Section 10151 or satisfactory completion of an equivalent course of study as defined in Section 10153.5, before taking the examination.

(e) An applicant under this section shall, prior to issuance of the real estate salesperson license, submit evidence or certification satisfactory to the commissioner of successful completion of the real estate principles course as described in subdivision (c) and of successful completion at an accredited institution or successful completion of an equivalent course of study as defined in Section 10153.5, of a course in real estate practice and one additional course set forth in Section 10153.2 other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.

(f) The commissioner shall waive the requirements of this section for an applicant who is a member of the State Bar of California, or who has completed an equivalent course of study, as determined under Section 10153.5, or who has qualified to take the examination for an original real estate broker license by satisfying the requirements of Section 10153.2.

SEC. 3. Section 10153.4 of the Business and Professions Code is amended to read:

10153.4. (a) This section shall apply to an application for the real estate salesperson license examination, the real estate salesperson license, and for both the examination and license received by the commissioner prior to October 1, 2007, if the applicant obtains a passing score on the real estate salesperson license examination and submits a license application prior to October 1, 2007.

(b) Application for the real estate salesperson license examination pursuant to this section shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall be accompanied by the real estate salesperson license examination fee.

(c) An applicant under this section shall comply with the requirements of subdivision (c) of Section 10153.3 in order to take the real estate salesperson license examination.

(d) An applicant under this section who obtains a passing score on the real estate salesperson license examination prior to October 1, 2007, shall, prior to the issuance of the real estate salesperson license, submit evidence or certification satisfactory to the commissioner of successful completion at an accredited institution of a three-semester unit course, or the quarter

unit equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5, in real estate principles as described in subdivision (c) of Section 10153.3. An applicant for an original real estate salesperson license under this section shall also, prior to the issuance of the license, or within 18 months after issuance, submit evidence or certification satisfactory to the commissioner of successful completion at an accredited institution or a private vocational school, as specified in Section 10153.5, of a course in real estate practice and one additional course set forth in Section 10153.2, other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.

(e) A salesperson who qualifies for a license pursuant to this section shall not be required for the first license renewal thereafter to complete the continuing education pursuant to Article 2.5 (commencing with Section 10170), except for the courses specified in paragraphs (1) to (4), inclusive, of subdivision (a) of Section 10170.5 or, on and after July 1, 2007, except for the courses specified in paragraphs (1) to (5), inclusive, of subdivision (a) of Section 10170.5.

(f) The salesperson license issued to an applicant who has satisfied only the requirements of subdivision (c) at the time of issuance shall be automatically suspended effective 18 months after issuance if the licensee has failed to satisfy the requirements of subdivision (d). The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course completion and the commissioner has given written notice to the licensee of the lifting of the suspension.

(g) The original license issued to a salesperson shall clearly set forth the conditions of the license and shall be accompanied by a notice of the provisions of this section and of any regulations adopted by the commissioner to implement this section.

(h) The commissioner shall waive the requirements of this section for any person who presents evidence of admission to the State Bar of California, and the commissioner shall waive the requirement for any course for which an applicant has completed an equivalent course of study as determined under Section 10153.5.

SEC. 4. Section 10153.5 of the Business and Professions Code is amended to read:

10153.5. As used in Sections 10151, 10153.2, 10153.3, and 10153.4, “an equivalent course of study” consists of courses at a private vocational school that have been found by the commissioner, upon consideration of an application for approval, to be equivalent in quality to the real estate courses offered by the colleges and universities accredited by the Western Association of Schools and Colleges.

As used in Sections 10151, 10153.2, 10153.3, and 10153.4, “accredited institution” shall mean a college or university that either:

(a) Is accredited by the Western Association of Schools and Colleges, or by any other regional accrediting agency recognized by the United States Department of Education.

(b) In the judgment of the commissioner, has a real estate curriculum equivalent in quality to that of the institutions accredited pursuant to subdivision (a).

SEC. 5. Section 10153.9 of the Business and Professions Code is repealed.